

32B-2-209 Prohibited interests, relationships, and actions.

(1) As used in this section:

- (a) "Applicable department employee" means a department employee who is:
 - (i) designated as a deputy or assistant director;
 - (ii) a chief administrative officer of a division within the department;
 - (iii) a department compliance officer; or
 - (iv) an employee directly performing purchasing, licensing, or compliance functions of the department.
- (b) "Immediate family" means an individual's:
 - (i) spouse; or
 - (ii) child who is younger than 18 years of age.
- (c) "Permit" does not include:
 - (i) an industrial or manufacturing use permit;
 - (ii) a scientific or educational use permit; or
 - (iii) a religious wine use permit.

(2) In addition to being subject to Title 67, Chapter 16, Utah Public Officers' and Employees' Ethics Act, an individual who is a commissioner, the director, or an applicable department employee may not:

- (a) have a pecuniary interest, whether as the holder of stock or other securities other than a mutual fund, in a person who applies for or holds a package agency, license, or permit under this title;
- (b) otherwise have a conflict of interest with a person who applies for or holds a package agency, license, or permit under this title;
- (c) have an office, position, or relationship, or be engaged in a business or avocation that interferes or is incompatible with the effective and objective fulfillment of the duties of office or employment;
- (d) have a direct business relationship with a person subject to administrative action under this title;
- (e) accept a gift, gratuity, emolument, or employment from:
 - (i) a person who applies for or holds a package agency, license, or permit under this title; or
 - (ii) an officer, agent, or employee of a person who applies for or holds a package agency, license, or permit under this title, except that a commissioner, the director, or an applicable department employee may accept a gift from an officer, agent, or employee if the gift is equal to or less than \$50; or
- (f) solicit, suggest, request, or recommend, directly or indirectly, the appointment of any person to any office or employment with a person who applies for or holds a package agency, license, or permit under this title.

(3) An immediate family member of a commissioner, the director, or an applicable department employee may not:

- (a) have a pecuniary interest, whether as the holder of stock or other securities other than a mutual fund, in a person who applies for or holds a package agency, license, or permit under this title;
- (b) otherwise have a conflict of interest with a person who applies for or holds a package agency, license, or permit under this title;
- (c) have an office, position, or relationship, or be engaged in a business or avocation that interferes or is incompatible with the effective and objective fulfillment of the duties of office or employment of the commissioner, director, or applicable department employee for whom the person is immediate family;

- (d) accept a gift, gratuity, emolument, or employment from:
 - (i) a person who applies for or holds a package agency, license, or permit under this title; or
 - (ii) an officer, agent, or employee of a person who applies for or holds a package agency, license, or permit under this title, except that an immediate family member may accept a gift from an officer, agent, or employee if the gift is equal to or less than \$50; or
- (e) solicit, suggest, request, or recommend, directly or indirectly, the appointment of any person to any office or employment with a person who applies for or holds a package agency, license, or permit under this title.
- (4) An officer, agent, attorney, or employee of a person who applies for or holds a package agency, license, or permit under this title may not directly or indirectly solicit, request, or recommend to the governor, any state senator, the commission, or the department the appointment of any person:
 - (a) as a commissioner;
 - (b) as director of the department; or
 - (c) to a department staff position.
- (5)
 - (a) A commissioner shall disclose during a meeting of the commission a potential violation of this section, including the existence and nature of a professional, financial, business, or personal interest with a person who holds, or an applicant for, a package agency, license, or permit issued under this title that may result in a violation of this section.
 - (b) After a commissioner makes a disclosure under Subsection (5)(a):
 - (i) the commission may, by motion, determine whether there is a potential violation of this section;
 - (ii) if the commission determines that there is a potential violation of this section:
 - (A) the commission shall notify the governor; and
 - (B) the commissioner may not vote on any matter that would result in the potential violation of this section; and
 - (iii) if the commission determines that there is not a potential violation of this section, a commissioner may elect whether to vote on the issue that gives rise to the disclosure under Subsection (5)(a).
 - (c) The commission shall record any declaration of a potential violation of this section in the minutes of the meeting.

Amended by Chapter 365, 2012 General Session